

## **Group Insurance Commission (GIC) Reform Package**

The following initiatives are being advocated for by NAGE and other public sector unions in the commonwealth.

**Increasing Labor's Voice** (House Docket 788, Representative Peter Capano) – This legislation would add two labor commissioners in seats currently held by members of the general public. The goal of this legislation is to increase labor's voice in matters related to their own health insurance. The legislation would still maintain managements majority on the Commission.

**Out of Pocket Cost Containment** (Senate Docket 1102, Senator Paul Feeney) – This bill would implement statutory caps on out-of-pocket costs for GIC members at \$2,500 for an individual and \$5,000 for a family. Additionally, it creates a dedicated revenue stream to pay the overages by directing surplus GIC funds from both the members contributions and the Commonwealth *and/or municipal* contributions into the GIC trust fund at the end of the fiscal year, rather than reverting back to the general fund.

**Increased Market Competition** (Senate Docket 1103, Senator Paul Feeney) – We have consistently heard from GIC administrators that one of the main reasons for the lack of bargaining clout with insurance companies is the state procurement process. We are calling for the GIC to be exempt from the state's procurement law in order to allow for more competition in the bidding process for greater cost containment year to year.

**Premium Equity** (House Docket 2710, Representative Paul Mark) – This bill would set the statutory premium share for all state employees at 80/20. Currently, there are two tiers of premiums for state workers, based on hire date.

**Benefits on Day One** (House Docket 1428, Representative David LeBoeuf) – This bill would enable newly hired state employees to receive health benefits on day one of their employment. Currently, new hires have to wait 60 days before their benefits kick in.